Brown, Brian (TM)

From: TMFeedback
Sent: Monday, January 10, 2011 9:30 AM
To: Brown, Brian (TM)
Subject: FW: Request for Comments: Trademark Litigation Tactics
Attachments: USPTO Request for Comments DATASSURANT.pdf

From: Michael La Barge (b)(6)
Sent: Friday, January 07, 2011 10:08 PM
To: TMFeedback
Subject: Request for Comments: Trademark Litigation Tactics

Dear Sir or Madam:

Please accept our submission.

Regards,

Michael La Barge, CISSP, CISM, CISA, C |EH, GCIH, QSA, PA-QSA
President
Datassurant, Inc.
(b)(6)

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January 7, 2011

United States Patent and Trademark Office
TMFeedback@uspto.gov

Dear Sir or Madam:

Thank you for this opportunity to discuss our situation. Because of the failure of the system to dissuade trademark abuse our story will be one of many that pepper the social networking forums, public blogs and databases of the internet due to this growing problem. Larger organizations attempting to claim protections too broadly and then later enforce trademark rights beyond a reasonable interpretation of the scope of the rights granted to the trademark owner cause serious harm to small businesses. Small businesses are the backbone of America's economy and still reeling from the after effects of Wall Street's reckless behavior. Will lack of protection from abuse in this area be the final nail? Recognizing this problem and taking actions to prevent large organizations abuse would certainly be a step in the right direction.

Trademark "bullies" are a significant problem for trademark owners. Corporate lawyers threatening litigation often succeed because smaller companies lack their resources. According to Michael Atkins of Graham & Dunn PC in a recent World Trademark Review Daily, "Trademark bullies definitely exist. We're seeing more and more trademark [lawsuit] filings but fewer and fewer trademark trials, which arguably suggests that trademark owners are using demand letters and trademark [lawsuit] filings to exercise their might and to extract something that they may not otherwise be legally entitled to by the court process."

Datassurant has been subject to recent attempts at trademark bullying. Recently an opposition proceeding was instituted against Datassurant's proposed registration of its DATASSURANT mark. Datassurant never received any communications from the Opposer to attempt to resolve the matter. Despite several overtures to the Opposer to explain the lack of confusion and to explore meaningful coexistence, the Opposer took a hard line that Datassurant should abandon its mark, despite the lack of confusion and dramatically different services involved. In fact the Opposer's general response through their counsel was that they were not willing to allow any third party to use a mark that in any way encompasses their mark, *regardless of the goods or services on which it is used.* This is a clear indicator of that Opposer's unashamed disregard of the Trademark class system, which is supposed to allow differentiation among goods and services and allow other different class Trademarks to be successfully registered.

One self-help method to curb such abuses has been to foster public sentiment against blatant attempts to abuse the trademark system. For example when SparkFun Electronics was dragged into an opposition by SPARC International, Inc., SparkFun posted a website blog with a point by point analysis to refute SPARC's claims. The website blog drew significant public outrage. The parties entered into a coexistence agreement shortly thereafter.

A central monitor that could allow for public comment might help curb trademark abuses in a similar manner. One initial step has been taken by Chilling Effects Clearinghouse, a joint project of the Electronic Frontier Foundation and Harvard, Stanford, Berkeley, University of San Francisco, University of Maine, George Washington School of Law, and Santa Clara University School of Law clinics. Chilling Effects recognizes that some individuals and corporations are using intellectual property and other laws to silence other online users. Their goal is to encourage respect for intellectual property law, while frowning on its misuse to "chill" legitimate activity; however, user submissions are voluntary.

Eric Goldman, Associate Professor of Law at Santa Clara University School of Law, states "we need a central monitor who will call attention to stupid trademark enforcement efforts. Again, Chilling Effects is a step in this direction, but it mostly publishes demand letters in a neutral format rather than openly mocking the obviously bogus ones. Ultimately, this may take a little money to buy someone's time to do the necessary work, but the social benefits of this scrutiny could be enormous." Providing a platform for encouraging continual public feedback might deter some trademark abuses without requiring revisions to existing trademark laws.

On a final note, when faced with looming legal fees it's easy to wonder if these fees can be recouped but according to the Lanham Act this only occurs in "exceptional circumstances" and awards are rare. Wouldn't overzealous legal firms and companies be less likely to bully others if they were faced with the potential for incurring significant legal expenses if they were not to prevail? At the very minimum, the Lanham Act might consider the model followed by the Copyright Act. The Copyright Act provides for awarding mandatory costs to the prevailing party and allows the courts to have discretion to award attorney fees when appropriate. At the very least, this may help deter baseless litigation claims.

Unfortunately, that does not help litigants in the administrative setting before the Trademark Trial and Appeal Board. TTAB cases have become mini-litigations in many cases costing as much as district court litigations. Trademark bullies (such as the infamous Leo Stoller) have utilized the TTAB system as an effective tactic of bullying small companies without fear of incurring any penalties.

Until there are severe penalties and/or a centralized area for public scrutiny of cases presented in a clear and easy to understand manner, trademark abuse will continue. Use of

the internet to rally support is a useful tool but also time consuming when trying to run a business.

Datassurant Inc. is Service-Disabled Veteran-Owned Small Business with over 15 years experience in Information Security.

Respectfully submitted,

Michael La Barge
President
Datassurant, Inc.